

Milton Town Council Meeting
Milton Theatre, 110 Union Street
Monday, June 2, 2008
7:00 p.m.

1. Public Participation

Mayor Post: called the Public participation of the meeting to order at 7:00 PM
Members Present: Martin-Brown, Duby, Hudson, Prettyman, Betts, Mayor Post.
Member Absent: Abraham

Katherine Grieg: Good evening. Last month I talked about our winning ticket for the Spring Garden Clean-Up and I thanked the person who sold it, but I did neglect to thank all the people who bought the tickets, so I would like to do that at this time. Thank you so much for supporting us. If you were at the Horse Shoe Crab Festival, and you bought any plants, thank you. The big thing coming up is the Garden Tour and it will be Saturday, July 12, from 9:00 a.m. to 3:00 p.m. We presently have 16 gardens, most of them concentrated in the Chestnut, Federal Street, Mill Street area, Abraxus is going to have his art studio on the tour, and we have about 20 different artists who will be in the Gardens and in his yard. Of those 16 gardens, 6 of the homes are going to be open and we're going to have what we call the Pit Stop at Salon Milton and we will be serving little sandwiches and cookies, lemonade and iced tea there. The Milton Theater is going to be a part of it So please keep in mind about the Garden Tour and thank you so much.

Lynn Eckland: 406 Union Street. I'm here to talk about the business permit fees that were discussed at the last meeting, the mid-month meeting. It's my understanding that they were tabled for further discussion and a possible vote for tonight. My question is, basically, two weeks ago the request was to cut the business permit fees by 50%. I think C Martin-Brown asked Mr. Dickerson to prepare something based on a cut down to 2%, rather than the 1.5% and I would be interested in seeing that. I was also wondering if we had thought at all, about handling their request in a different way. If Chestnut Properties seems to be in some sort of a cash flow program, have we thought about perhaps asking them to advance half of the business permit fee at the time of application and then give us the other half of the fee when they sell the house? Just wondering if we had been thinking outside the box at all and I'm looking forward to your presentation Mr. Dickerson? Thanks.

Thomas Kelly: Cannery Village, 102 Summer Walk. I just have a few points I wanted to make. My sensibility was a little insulted last week and it seems like there's a division already happening in this Town and we have to stop it before it really infects this whole area. You got the newbies and the oldies and all, and some of the old timers, probably don't understand what we do when we buy a new home here. We pay for the streets, the lights, the sewers, the water, and even after the street is dedicated we still pay for the lights in our area. So we are

paying our way, and maybe more than our way, in this Town. We also support your businesses, your organizations. We came and made our money up north, we came down here and we're bringing hundreds of thousands of dollars into this State, the County, the Town itself and we're not the problem. We love the way this town is and how it has been preserved and we want to be your friends. We are not the enemy and I think if these people would just sit down and really think of what they said, they would find out that we are a great asset to this town, because this town is a living, breathing entity and it is growing. The way it is growing is because people like us are moving down here. Thank you very much. [applause]

Jeff Daley: Summer Walk at Cannery Village neighborhood here in Milton. I will say that as a new member of the Town of Milton, I never have been made to feel so welcome, by so many diverse organizations and members of those organizations and I'm just thrilled to be a part of this town. In my neighborhood, we now have a new builder and that builder has erected a spec home with a one-car garage. The plan for the neighborhood shows one logo, one drawing, and one designation for garages for all homes. We know that past administrations wrote very, very little explanation of what the LPD (that is, Cannery Village) entailed. So therefore, not having much verbiage, we have a picture. Pictures speak 1,000 of words, as they say. So how did we end up with a one-car garage by this new builder who is tied to the developer? Now I'm not slamming developers, however, this particular developer has developed a project on perfectly flat land. It's esthetically pleasing because he chose picket fences in front of nice facades in a neo-traditional community. This same developer is going to develop land that is virtually on a forested hillside that empties into the river, as far as drainage goes. We have major drainage issues at Cannery Village, which we will be bringing to the town through the Mayor and Mr. Dickerson's new task force. Thank you.

[applause] Mayor Post: Jeff, I want you to understand too, when it comes to the drainage issue, we go through the Sussex County Soil Conservation. That's what we have. We're not out there handling the drainage. Because we have to abide by what the Sussex County Soil Conservation permits. Mayor Post: We are reminded every day of the issues. We are dealing with it with Shipbuilders; every day is an issue, much worse than what Wagamon's and Cannery Village have. As far as the one-car garage, I would like to know, because it is my understanding that there was not to be a permit issued for any dwelling with a one-car garage and Robin, maybe you could speak to that. Robin Davis: Mr. Mayor, looking at the pattern book, I have spoken with John Brady and Bob Kerr about this. We went through the plan book that was presented when Cannery Village originally came about. They talk about "mostly" two-car garages and two-story homes. Nothing says in there "shall be" or "will be". They talk about parking, as what the determining factor is. It has to have a garage. That's it. It does not say one-car or two-car garage. It talks about there being a minimum number of parking spots that you have to have. So it has been determined that if you have a one-car garage, you have to have an area for another car to park, to make it a two parking spot, because a one-car garage they work off of half of it as a parking spot.

George Dickerson: Robin, I have a question. Last conversation I know this was discussed and we discussed this on several occasions, the issue of when the building permit is issued, the garage is a part of that building permit, is that correct? Robin Davis: Yes. George Dickerson: And being part of that permit, have we issued any homes with a one-car garage to your knowledge. Robin Davis: There is. I think the one spec home that Capstone does have out there, has a one-car garage. George Dickerson: And the original plans of Cannery Village in their plan book, as you refer to it, are there dimensions for that garage? Robin Davis: No. George Dickerson: There are no dimensions for it so it could be 1' wide? Robin Davis: If you could fit a car in there, it's a garage. George Dickerson: As long as a car, a Mini Cooper or a whatever, as long as you can get a car in there, that's what your telling me? Robin Davis: Yeah, I would say. There are no dimensions that say the garage has to be a certain size George Dickerson: Obviously, we need to do some more checking. Mayor Post: All right. Thanks and we're aware of the one-car garage issue.

Kathy Bell: 422 Chestnut Street. I want to personally thank Leah Betts very much. After I came before the Council last month, and reported specifics on some issues in our neighborhood, I'm seeing definite improvements. There's a long way to go, but at least some of the trash has been removed. And it has to be uniformly enforced, whether it's on people that have lived here for 50 years, or 5 years, or 1 year. One question I have regarding the unit at 423 Chestnut Street, which is a leased property. I know that the rules said that to run a business in the Historic District, the property had to be owner/occupied. This is a tenant occupied house. The owner's live at Wolfe Point and they are running a landscaping business, basically out of the home. I would like to ask for some clarification on that. Thank you for the efforts to date.

2. Call to Order – Mayor Don Post opened the Milton Town Council Meeting at 7:19 PM on Monday June 2, 2008.
3. Moment of Silence – Councilwoman Betts. All rose for a moment of silence.
4. Pledge of Allegiance to the Flag was said by all in attendance.
5. Roll Call Vote:

C Martin-Brown	present
C Duby	present
C Hudson	present
C Prettyman	present
C Abraham	not present
Vice Mayor Betts	present
Mayor Don Post	present
6. Additions or Corrections to the Agenda
 Are there any additions or corrections to the agenda? Mayor Post: Can we have a Motion to approve the agenda, as written?

7. Approval of the Agenda
C Prettyman: I make a motion that we approve the agenda. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. All in favor. Opposed. Motion carried.
8. Presentation of the Minutes of May 5, 2008 and May 15, 2008
Mayor Post: Are there any additions or corrections to the minutes from May 5, 2008 and May 15, 2008? Can we have a Motion to approve the minutes, as written for May 5, 2008 and May 15, 2008?
9. Approval of the Minutes of May 5, 2008 and May 15, 2008
C Prettyman: I make a motion that we approve the minutes, as written for May 5, 2008 and May 15, 2008. C Hudson: Second. Mayor Post: Any discussion regarding the minutes? We have a motion and a second. All in favor. Opposed. Motion carried.
10. Approval of Written Committee Reports
Mayor Post: Are there any additions or corrections to the written committee reports, as presented? Can we have a Motion to approve the written committee reports? C Prettyman: So moved. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. Any discussion regarding the committee reports? All in favor. Opposed. Motion carried.
11. Town Manager's Report – George Dickerson:
 - a. Auditor's Clarification: I would first like to give some background with regard to the next person that I will introduce who is our Auditor for the Town, Tom Sombar. The reason I asked Mr. Sombar to speak here tonight, is a result of Charlie Fleetwood reading into the record from the 200th Anniversary Committee report some comments that the Committee took exception with from Mr. Sombar's audit report. He has a very tough job and does an excellent job for the Town in the audit. Two of the issues that Mr. Fleetwood reported to were first in a request, in a letter, that the Town issue an apology letter; and the second part of that, do a news release with regard to this. After talking with the Mayor that it was appropriate to ask Mr. Sombar to simply come here and to clarify what his comments were in those two areas, with regard to the 200th Anniversary Celebration that he spoke to when he gave his auditor's report, as well as the Mulberry Street Project and the other streets that were done in Town. Mr. Sombar: Thank you for this opportunity to come back, after three months, and kind of clarify those comments. I was commenting about the reason why there was such a significant decrease in the net assets to the Town. Of course, some of the obvious reasons are: revenue is down; expenses are up. I was commenting about the expenditures that were incurred in the 9/30/07 year vs. expenditures that occurred in the prior year, and unfortunately I commented about the 200th Anniversary Celebration,

because there was almost \$60,000 spent in the September '07 year, over the '06 year. However, to give some clarity, in my report on Page 16 of the Government Wide Statement of Activities, because it is presented with expenses first, there was \$59,431 spent for the Anniversary Celebration, but \$65,877 was received. So actually, there was a surplus to the Town. That really needed to be said three months ago, but it wasn't. But again, what I said that night was accurate. As far as the Mulberry Street Project, there certainly were numerous State Grants that covered those costs. In other words, when we are presenting the numbers, we don't net things, but separate the revenue and the expenses, and I was commenting on the expenditure changes, not on the net result of those expenditures. Hopefully, that clarifies that point, because I got quite a few calls at the office, subsequent to those comments, and certainly the Committee deserves a lot of credit for the hard work they did and the revenue exceeded the expenditures. C Martin-Brown: Mr. Sombar, are you saying that actually the 200th Anniversary paid for itself and had almost a \$15,000 surplus? Tom Sombar: Based on the report, there was \$65,877 received and \$59,431 paid out, or a surplus of \$6,446. This just represents the monies received and paid out in the twelve months ending September 30, 2007. There may have been some monies prior to that, or even subsequent to that, but there was a surplus. C Martin-Brown: So, it wasn't the 200th Anniversary that caused any deficit? Tom Sombar: Absolutely not. There were just a lot of unusual things last year, but that certainly wasn't one of them. When you look at raw expenses vs. raw expenses that is an increase, which was the reason I made the comment. It was an unfortunate choice of comments to make, I admit, in retrospect, but it was accurate that night. Thank you.

- b. New Work Order Process: Here is a handout, the Complaint Report. You are going to receive a new report tonight this is actually a Work Order Report. The work order report is a new implementation that we put in process with regard to maintenance. When Maintenance actually gets requests and work orders are filled to go out to the field, to actually do the work. This had not been done before. We never actually tracked these requests, nor did we have this system in the past. We have an in-house form that's filled out with the number of those reports that come out. The type of work orders that have been out there, that we have been tracking since January, and working the internal process within Town Hall, and where it needs to go takes care of things like water, sanitation (which is trash delivery), if there are parks, streets, miscellaneous, and then whoever takes that report, there is a work order that is produced. Now you will be receiving this report which is similar to the Complaint Reports that we have used in the past. Of all the work orders that we have received year-to-date, on work orders that have been called in or that are handled directly through Town Hall, from January this year through closing of May, the total received year-to-date has been 78. Of those that we have handled, only five are still outstanding, we are either in the process of working on them or attempting to resolve them. This is another way we can

advise Council or at least constituents when you are dealing with them, as to the status of their work order. It's now identified and tracked. If a work order is put out and men are dispatched there; how much time they spend there; what's actually done as a way to speed up that process. I hope you find that report informative.

- c. Status of Updated Personnel Handbook: As you've heard me report, the personnel handbook, which was in dire need of revision and updates, is currently in process. The hard part is now done. It's the review process to make sure that we have included all of those Fair Labor Standards Act issues; Family Medical Leave Act; all of those things are there in a comprehensive review of that handbook. As soon as it is done, it will be forwarded to the Personnel Committee, for their review, and it's going to take them some time to do that, at least 30 to 60 days, at which time I would like to have that turned around. With their blessing, we can implement that and have an up-to-date version of our Personnel Handbook completed.
- d. Ordinance Update: We have been in communication with General Code and they are almost complete with the manuscript of that and they will present to us in September. At that time, all department heads that are involved with any ordinances, which will be in alphabetical and chronological order, will be updated. At some point, that will actually be put on line for the public. We're looking forward to getting that manuscript and working through that. That process will probably take from September, and another 3-4 months to complete that, to get back to General Code, where they will be publishing a document and we would get a DVD and download that on-line. That would make it easier for anybody that wanted to research a topic.
- e. New Process for Delinquent Billings: There are some delinquent billings that people are going to be receiving notices on. In those billings, there is a new form that we are going to provide. If they are 2-3 months behind, then it is time to let them know, that you need to come and talk to us. Maybe there is a reason. We try to work with everyone that calls; or, have they just forgotten it; or is it a rental property where the owner is expecting the renter to pay it and they don't know that it's delinquent.
- f. Town of Milton's New Web-site: Our new web-site was launched, and if anybody wants to look at it, which is www.ci.milton.de.us, that launched May 27, 2008. I looked at it myself last week, while I was on vacation. When I returned, I looked at it again, and I found some discrepancies in there; some irregularities; we're trying to work those bugs out, but, I think you'll find it contains a lot more information; it's a lot more user friendly; and, we are still working with the company that is providing that service to make sure that we update that as soon as possible.

12. Town Solicitor's Report: Mr. Mayor, with regard to the Town Solicitor, he is in Wilmington, per a phone call I received prior to this meeting. His arrival at this meeting should not be expected before 8:30 or 9:00 p.m. tonight. He will not be able to give his Item No. 12.
13. Written Reports from:
- a. Fallen Tree: Mayor Post: The tree that had fallen across the Broadkill River, as of today, was removed. George Dickerson: The Mayor had contacted me with regard to quite a large tree upriver, quite a distance from Milton that had fallen completely across the river. C.C. put me contact with DNREC. They were up there today clearing that waterway. I understand it is clear and there is another issue of a log that is floating, that's the one where the mother goose had a nest on there, and DNREC is supposed to be here tomorrow to clear that as well.
 - b. Maintenance: Mayor Post: We'll move into written reports from the Maintenance Department. Allen is not here. C Prettyman: I make a motion to accept the report, as presented. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. Any questions? All in favor. Opposed. Motion carried.
 - c. Code Enforcement Project/Project Coordinator Report: C Prettyman: I make a motion to accept the code enforcement report for May, 2008, as presented. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. Any discussion to the report? All in favor. Opposed. Motion carried.
 - d. Police Report: C Prettyman: I make a motion to accept the police department report, of April 21, 2008 through May 20, 2008, as submitted. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. Any questions to the police report? Vice Mayor Betts: Don, I would just like to say that on May 16, 2008, I had the opportunity to go to the MADD Awards for our police, and we were very fortunate to have Corporal Glaeser receive his first year award, for the most driving under the influence arrests and I would like to congratulate him for that. [applause] Mayor Post: All in favor. Opposed. Motion carried.
14. Old Business:
- a. Appointment of Members to the 2008 Committees, who completed the Code of Ethics Form after May 5, 2008: I would like to propose that we add Norma Krause to the Emergency Preparedness Committee; as well as, Norma Krause to the Board of Health and Health and Environment Committee; John McIlvane to the Historic District Expansion Ad Hoc Committee; and they have completed their forms. I only have 1 or 2 outstanding members that have not completed those new forms. Can we have a motion to accept those names? C Prettyman: I make a motion that we accept both Norma Krause and John McIlvane for the 2008 Town of Milton Committee Appointments. C Duby: Second. Mayor Post: We have a motion and a second. Any discussion to that motion? All in favor. Opposed. Motion carried.

- b. Discussion and Possible Vote on Request for Reduction of Building Permits Fees from Chestnut Properties, LLC and Carey Communities Inc. tabled at May 15, 2008 Meeting: Mayor Post: I do want to make a comment regarding one thing within the public comments. We can not strategically implement change of different fees within developments, or even within the building permits, for one developer over another developer. The way we implement those fees has to be uniform. George Dickerson: C Martin-Brown had asked me to do some comparisons in a study with regard to those and I have not completed that. The reason that this was put on the agenda was a review of the minutes showed it was requested to be tabled and that's why it's up here again. The power point presentation, which everyone should have received with regard to the building permit totals, and comparisons to what we had received, the 1% would, if you look at the total of the building permit totals that were received, we would go down 1% of those totals that were received, but if you heard me speak at my presentation last month, it is hard to predict. Without being able to accurately predict, we would probably be down at least 25 to 50 building permits, as a result of the economy. This was a request of the developers who submitted their requests and it was forwarded to Council. The reason is showed back up on here is that was part of the tabling process that had to reoccur for this particular meeting. Mayor Post: If you just looked at 2006-2007, if you're talking about the developer's request of 1.5%, well you're talking about 50%. If we brought in \$366,000 under permit fees for 2006-2007, then we're talking about \$180,000 +/- in town revenue that we would lose. You can do the math and if you're talking 2%, then you're talking about 1/3 decrease. It's an economic issue for the Town of Milton. C Duby: I guess the question is, I should probably address this to C Martin-Brown, if she wants to proceed without the response from Mr. Dickerson about the other alternative, or whether we want to table it once again. I'm prepared to vote. Vice Mayor Betts: I am, too. C Prettyman: Well, Mr. Reed is here. Could he make a statement, Mr. Mayor? Mayor Post: Would you like to make a comment prior to the vote, or would you like us to proceed with the vote? One of your partners' was here last time and made his comments with regard to the permit issue. If you would like to make a brief comment, then please come to the microphone. Joe Reed: Sure, Joe Reed, Chestnut Properties. Just for those that don't know, I'm not even exactly sure what date the fee increase goes into effect, but when we purchased Cannery Village a few years ago, at that time the Town of Milton's fee for a building permit was 3/4 of 1% of the cost of construction and at some point it was increased to the full 3% of the building costs. For those in the audience that don't know, it must seem a little unusual that we're talking about reducing the building permit fee from 3% to 1.5%. To understand the situation, you have to realize that a few years ago it was increased 400%, so now we're talking about a 50% reduction. I do business in other towns and my experience has been that the County is .3 of 1% of the cost of the house. The City of Rehoboth Beach is 1%. Most of the municipalities that I am aware of are in the range of .5 to 1%. I'm not aware of any that are more than 1% of the building costs. Milton

at 3/4 of 1% was already twice as high as the County and was on the high side of some of the municipalities, but when it went to 3% it was certainly the highest that I was aware of. Some of the builders that built in Cannery Village, said it was the highest building permit fee they had experienced, anywhere that they do business. I appreciate the consideration to relook at that. It would really help us. It has definitely made things more difficult here at Cannery Village and particularly with the way the economy is right now. We think it would be appropriate to reconsider that and put it more in line with what other towns are charging and the discussion was to consider 1.5%, so I guess I would just encourage you to look at that as instead of a 50% reduction, look at that as a 100% increase over what it was, because it would be 100% increase from the 3/4 of 1% that it was up until the time that it was raised a couple of years ago. Well, we may have had the opportunity, but we were not aware that that was placed on the agenda and therefore did not have the chance to express our concerns then. Thank you. Mayor Post: Thank you, Mr. Reed. I do want to say, because you were not in attendance at the last meeting, that to give you an idea, Mr. Dickerson did do some research in Camden, but it's gone up a percent even since Mr. Dickerson left as Town Manager. To his credit, I will say that. Joe Reed: It's higher than 3%? Mayor Post: It's higher, it's 4% now. Dewey is the same as us, Fenwick Island, Milton, we're all tied there. A little below that is South Bethany; then it does start dropping off by almost a percent or more with Millville, Rehoboth, and Lewes is way down there at probably a little over a percent; Frankford and then Laurel, were the comparisons that we did. Joe Reed: Dewey Beach was 3%? Mayor Post: According to this, yes, Dewey Beach is 3% and Fenwick Island is, too. I just wanted to put it out there, that according to the research the town did, this is what we found. I do know also that other towns have also been looking at this issue. I have been reading it in the Dover Post, the Cape Gazette so it must be the Dover area and some of the beach towns. I do know that there is a serious issue with the housing market. Joe Reed: The other thing is that the building permit fees, as well as sewer impact fees, those types of expenses are supposed to cover the costs of providing the service, and not supposed to be a profit center. Typically when it went up 400% to be able to justify that, you needed to document that there was a 400% increase in providing the service that you provide in the building department. I would encourage you not to look at that as a profit center, but more like a cost of doing business for the town. The transfer tax is a legitimate profit center for the town and if we could get these fees in line, I think it will help ourselves and everybody else in town to have their product be more competitive and will result in more transfer taxes to the town, which is where you can make your profit. Thank you. C Duby: Mr. Mayor, I think there are a couple of issues, just sort of in response to Mr. Reed. I certainly understand the developers' position and I think times are hard for everybody, however, it is interesting to me to look at this list of communities and the ones that are lower than we are, significantly lower, Lewes and Rehoboth are included, and also he mentioned the County and how very low their fees are, it's a lot like huge

stores that do a big volume business. Sussex County has a lot more building permits than we do. Rehoboth and Lewes, I don't know in terms of volume, but my guess is that the amount that they get is, because it is percentage of the size of the house, there are a lot of huge houses and big very luxurious developments being done down there, my guess is the building permits bring in more so they can evaluate it in those terms. It's a little unfair to say look at all these and let's assume that our situation is the same as all these others. Well, it is not. That's an important issue. I would propose that rather than the 1.5%, that we make it 2% and simply go down 1/3. That would be a reduction of 1/3 of the cost, rather than 1/2 and I can make that in the form of a motion, so that we can discuss it or whatever you think you would like me to do.

Mayor Post: I think that needs to be up to you. If you would like to make that as a motion and you get a second... C Duby: I was just asking parliamentary procedure. Mayor Post: But, if you would like to make that as a motion and you get a second... C Duby: Then I would move that we reduce the building permit costs from 3% to 2%. C Prettyman: I second that motion. Mayor Post: We have a motion and a second. Any discussion to the motion? C Martin-Brown: I have serious concerns about our reduction in transfer taxes and the fact that Lewes and Rehoboth have other sources of income, such as parking permit fees and we need to look at our sources of income. We were talking about increasing property taxes, but we haven't done that yet. Vice Mayor Betts: We haven't even talked about that yet. C Martin-Brown: Oh, reassessment, which may lead to an increase in property taxes. We all know that, sooner or later, that is probably what we're looking at. It's why some people oppose it and why some people are for it. Some may increase, some may decrease and some may just stay the same. The thing is, we haven't changed our property taxes, we don't have much in the way of other sources of revenue, our transfer taxes may decline, and I didn't see that we need to do this right now. Thank you. Mayor Post: We have a motion and a second. Is there any more discussion, or we will put it to bed? C Duby: May I just ask a question? When you say we don't need to do this now? Are you saying that we should reduce it the full half that they are asking for and not just 1%? C Martin-Brown: I don't think we should reduce it at all. I look at this paper and we're not quite in the middle, but we're close to it. I don't think our fees are outrageous, the way they are. I have heard the Mayor say before that the developer should pay their way and I think that this is one way that the developers should pay their way, in building permit fees. I don't think they should be reduced at all. Vice Mayor Betts: Could I just say something? I would agree with the 1.5% due to the economy, at least we would be getting taxes and we would be getting something. If the builder's can not afford to build at this rate, I think we should go with the 1.5%. C Prettyman: Since we're discussing, I have to agree with Vice Mayor Betts on this because having empty lots, having nothing there, is not doing any of us any good. To drop that, I could see that at least we would have homes and revenue coming into the community. Mayor Post: We have a motion and a second, and we can do it by roll call vote and state your reason why:

Roll Call Vote:

C Martin-Brown	No. The reason is that the developer's are facing difficult times and so are State, County and Local Governments; so are consumers; and taxpayers; and, I'm concerned that if we start doing this we could have a domino affect on other fees or other requirements of developer's and I'm just not comfortable that this may be too soon. It may be necessary further downstream, but right now I'm not comfortable with reducing the fee.
C Duby	Yes. I think it strikes the balance. I think there are a number of issues here in terms of transfer tax, because if houses are not selling, then we are not getting transfer tax, which is where the profit is, as Mr. Reed pointed out. Anyone who knows me knows that I am not someone who is crazy about the development that is happening in Milton, and, I'm not going to go into all of those reasons. I'm certainly not voting the way I am, for this reason. I am concerned about the lack of transfer tax. I think that we can legitimately afford, at this point, to make some effort to keep business going, but I'm opposed to the idea of cutting it by 50%, so I will vote Yes to cut it by 1%, to a 2% fee.
C Hudson	No. I agree with C Martin-Brown that this town, sooner or later, is going to be strapped for cash and we need the revenue that we have coming in already. There's going to be less of it in the future and one thing that Mr. Dickerson mentioned last meeting, was that potentially services could be cut to the town and I don't want to see that happen, so I am voting No.
C Prettyman	Yes. I agree with C Duby about the development, as a long time native resident. I'm not crazy about it, but its coming and I am going to vote yes because it will give us revenue to the community. I think it's a good thing to do at this time.
C Abraham	not present
Vice Mayor Betts	Yes.
Mayor Don Post	Yes. People know my belief on development and the issues of how we've had to approach developers in the past, but, I believe development is in a crisis right now. I think it's not just in Milton, Delaware. I've talked to people from all over the country with multi-million dollar homes that are going into foreclosure. It's happening everywhere. We need to work together. I think this is showing that we are willing to work together, but it has to be both ways. When times are better, we may be addressing this issue in a different way.

Motion carried. We will be reducing the building permit fee from 3% to 2%, effective immediately. C Martin-Brown: Mr. Mayor, just a point of information, do we know with the State Legislature, have we heard what the status of the transfer tax situation is? Mayor Post: No. C Martin-Brown: Just for the record and I know this is part of the record. Mayor Post: We should have been doing that, during the discussion of the motion. C Martin-Brown: Right. Now that the vote is over, I just wanted to know. I didn't want to cloud that dynamic. Mayor Post: The transfer tax situation is still up in the air. We can still handle that at our own angle, even if something happens, but that's another day on that issue.

- c. Vote to Award the Bid for the Playground Equipment for the Milton Oriole Park: Mayor Post: I am going to turn this over to C DUBY. C DUBY: We have handouts on this? Perhaps Mr. Dickerson could go over the information. Thank you. George Dickerson: The playground equipment was put out for RFQ's by Cave Associates. We received five bids, with regard to that playground equipment. The specifications for that equipment, was that it had to be steel and powder coated. Some of it is plastic, but we wanted to ensure the integrity of this playground equipment for years to come, in that all of you may have experienced either taking either your children or your grandchildren to a playground, where in the first year it is a nice, bright red and three years later, everything turns pink. We did not want that to happen here, so the standards and specification that we set in the RFQ's, which were set by Cave, maintained those standards to a high level. There were five companies which bid on the playground equipment, and that equipment included: a sailboat theme, swing sets, and some other small child equipment. These are all ADA compliant and meet all the specifications: including installation; the shredded ground material; with borders in there for children to be safe, in case they fall; there are certain standards that have to be met and also to make sure that they are ADA compliant, for any child that wants to get on a piece of equipment, with regard to that. The high bid ranged from \$150,000 for the equipment and the low bid for the playground equipment was from Game Time (the name of the equipment) and West Recreation (the company that will install it) is actually out of Queenstown, Maryland. Scott has had many conversations with them and they were the low bidder on this project. The low bid was \$84,895 and I recommend that to the Council, at this time. Scott, if you have any comments, you certainly would be welcome to make them, because you worked with the vendor with regard to this. Scott Hoffman: George did ask us to look into the qualifications of this company, compared to the original specified equipment, and, we did that and that review determined that it satisfied the technical specifications. We also looked at references, as part of this process, and as it turned out, this equipment is actually installed at 90 schools within the State, including two in the Town of Milton. We think that this product is going to give you the years of service that you are looking for, and it's a respected, quality product in the State. That's it. C DUBY: So the

people, who have it, are happy with it. Scott Hoffman: Yes, I talked to the City of Dover and it's one of the two products that they are now specifying for all their playgrounds, so I think that is a good sign that it's well liked. George Dickerson: The recommendation and upon legal advice from our attorney, when you have a low bidder that meets your specifications, you need to go with that low bidder. So, the recommendation is for the \$84,895 being West Recreation. C Duby: And, Mr. Mayor, I just want to remind all the members of the Council that the specifications that were put into the RFQ by Cave Associates, came as a result of deliberations during several meetings of the Parks & Recreation Committee. We reviewed different equipment, we worked with a landscape architect to do the design for this and all of this has come before the Council previously. Based on all of that, and the information from these bids, I would like to move that the Council approve and accept the bid of West Recreation, Inc. for \$85,895 for the playground equipment. C Martin-Brown: Second. Mayor Post: We have a motion and a second. Any further discussion to the motion? All in favor. Opposed. Motion carried. Can we put something up on the internet about this? We've got some of the pictures. Can we scan them in? C Duby: I guess the company probably has electronic copies of their product. Scott Hoffman: Yes, we have renderings that I will scan in and email to the Town Hall and then we can put that on the web-site. Mayor Post: I think the community will be pleased. It's really a great design and people can know that there will be a boat that will go out there; a playground boat that kids can crawl and slide on, and it's almost 40' long and a lot of other equipment, as well. We've been waiting for this for a long time and it will take 10 weeks from beginning to end, for installation of the playground equipment.

- d. Revisit discussion and possible vote regarding the wording of names to be placed on the John Milton Bench in Mill Park: Mayor Post: I just want to provide a bit of the sign. We have a couple of members here, but I want to provide this little summary here, so people will understand. I had missed that previous meeting that they took a vote on for the sponsors that provided money for the statue, were going to be on the bench. At the time the vote was taken, the Council may not have realized that you have a statue that will go on half the bench and you only had 4 or 5 slats going this way and it was going to be pretty hard to put eight names on the slats, but there is going to be a bronze plaque, as well, next to the statue, where the names will be engraved. The presentation did not quite come out that way, what they are asking is what does Council want to say on the slat? Town of Milton? Whatever. The names, as voted in at the previous meeting, would go onto the bronze plaque that will be there in the same vicinity. Does that summarize well? What we're looking for is the verbiage that would go on the slat? Somebody said Town of Milton 2008; however you would want to have it. C Hudson: What about Town of Milton. Mayor Post: Town of Milton 2008? C Duby: There will be a date on the statue. Mayor Post: Town of Milton. Would somebody like to make a motion? C Prettyman: I make a motion that the verbiage on the

John Milton Bench, near the statue says "Town of Milton". C Martin-Brown: Second. Mayor Post: We have a motion and a second. Any discussion to the motion? All in favor. Opposed. Motion carried.

- e. Discussion and possible Vote regarding Lighting in Wagamon's West Shores: Vice Mayor Betts: Don, I'm going to turn this over to our Town Manager, who has a complete report on it. George Dickerson: Julie is passing out some information for Council Members. With regard to the lighting in Wagamon's and who has been paying the bill, history has to be given here. Council Members you will receive a document that is Wagamon's West Shores approval summary. That starts from a Planning & Zoning Meeting held back on January 21, 2003, and progresses forward with significant issues and requirements that the developer was supposed to provide for that development at that particular time and carries us through the final approval process of their site plan on April 5, 2004. During that time period, several plans were presented and they were reviewed by our Engineers, and the approval process went through Planning & Zoning. As a requirement, this is what was required from the plans: 1) the streets be paved to the Town's specifications; 2) that curbs be put in; 3) sidewalks be continued throughout that development; and, 4) a lighting plan was submitted and approved, for that development. Prior to the current administration, to date, as of May 6, 2008, starting from the first bill we received and paid, which was August 9, 2007, the Town has paid \$21,136.67 for the lighting providing for the electricity bill for the street lights in Wagamon's. Why was that done? The issue came to pass at a Council Meeting, which was February 6, 2006. The discussion under New Business of those particular minutes and basically, Mayor Bushey explained that at the last meeting concerned citizens made a request regarding the installation of street lights. The Town Manager sent a letter to Mike Simeon regarding this matter. The street lights should be installed within 60 days or less. A request was made at that time for the electricity of the newly installed lights. Mayor Bushey explained that the Town would be responsible for the bill until the funds are included in the Municipal Street Aid report. That doesn't happen until the streets and everything else are completed in the development and those streets are dedicated to the Town. That's a formal process that has to occur. We can not report those to the State for Municipal Street Aid, the small amount we get each year. To pay for all the street lights in town it costs about \$60,000. This \$21,000 that the town has paid, has not come out of that fund whatsoever, these have come out of town funds with regard to this particular project. It was decided and voted upon and there was a letter that was sent on January 25, 2006 that Mr. Simeon presented me with, that I was unaware of. I sent him a letter in November, 2007, saying he needed to pay his electric bill for those lights, because I had no justification that I knew of at the time, which would do that. He reminded me of the minutes that were in the Town Council meeting on February 6, 2006 that this letter had already gone out, from the former Town Manager, Hal Godwin, which says we are requesting you install 43 lights that have been planned for the Wagamon's

West Shore subdivision. The lights should be installed as soon as possible. Mayor and Council have concerns about safety and security within this subdivision. Based on that, the town agreed to pay the electric bills, while we are petitioning the State of Delaware to include state funds for our Municipal Street Aid. We can't petition Municipal Street Aid as this letter dictates, because the streets are not dedicated to us. So until the process of those streets being dedicated to the Town, is completed, you can not petition. You only get to do that one time a year and that time for this year has already passed and the streets are not dedicated. The next possible time that the town can receive funds for that is around April, May or June, but I know that I have already seen the Municipal Street Aid list which confirms the number of streets we have, the number of lights, and it's based on a percentage that is given by the General Assembly to off-set those costs to municipalities of Municipal Street Aid. It's a grant from them, not a grant; it actually comes through Grant and Aid. Here is where we are today to present to Council. Vice Mayor Betts asked me to look into this, to do this research. Here's what the research has unfolded, as I just presented to you. Since there was a formal vote on February 6, 2006 to do this, it takes a formal vote from Council to do it. We have already paid the \$21,000; I have received another bill that just came in within the last few days, and the amount of that bill that is unpaid at this time is \$1,054. So the question remains: 1) do you wish to continue paying the light bill. It is absolutely the responsibility of the developer to pay these costs, based on Planning & Zoning, or, 2) do you choose to vote to not pay these and try to work that out with the developer? It's going to be some time before these streets are dedicated and then we have an issue, that the sidewalks are not completed. You have a hodgepodge of different developers and individuals who own lots out there now, and before that development would be accepted, all of these to meet the conditions, the sidewalks would have to be in, completely, in that development, as well as the curbs and then meet our specifications. You are some time down the road. The good news, to all of this, is this: there is a 125% bond, which until these things is complete, we are the recipient of, and should this developer fail to do that. Thank you. C Duby: You say there is a bond to cover it. Can you give us any idea of what amount of red tape would be involved? Let's assume the worst case scenario: we stop paying it, the developer says he's not going to pay it, so we have to go after the Bond. George Dickerson: The Bond is for the street improvements. The 125% bond for the development but I do not know the answer to this, whether or not the lighting is included in that. I would think it would be for the infrastructure which would be the streets and gutters, rather than for the lighting. C Duby: Is there a way, before we vote, I'm inclined to vote to stop paying it, for all the reasons you have outlined. However, the last thing I want to have happen is for the people in Wagamon's not to have any lights. Before we take this vote, can we find out: a) does that Bond cover it, and, b) can we get immediate access to that Bond to cover it so they are not without lights? George Dickerson: Vice Mayor Betts and myself had a discussion with Mike Simeon on the phone today, to try to resolve this

issue and see if he was willing to do it. Mr. Simeon has sold off his individual lots to Stover and I believe it was Marta Homes out there, and some individuals, also. He is trying to barter with the town to finishing the paving of the streets, to our specifications, but he wants us to negotiate with the individual lot owners or the developers. That's not our fight. It's not right for us to have to do that. That's the agreement that he made with them. He is the one that is obligated to the site plan that was approved by the Planning & Zoning Committee, and, finally, with the sub-division approval coming through Mayor and Council. I hope that there would be enough money there to cover the paving of the streets and the lighting, but I would be unsure of that until I researched it. It really comes down with the lights, it is a Municipal Street Aid issue, and whether or not the streets are dedicated to us, I have a feeling that it wouldn't apply to the Bond. C Hudson: Is there a Homeowner's Association established there, Mr. Dickerson? George Dickerson: Vice Mayor Betts and I asked Mike Simeon about that and his response to that, was they are kind of working on one. I don't know what that means. C Hudson: Is that Mr. Simeon's response? George Dickerson: He did not even act as though he was interested in the Homeowner's Association. That's the feeling we got. C Hudson: Are there provisions, like there are in other developments in town, that when X number of houses are built, then the jurisdiction goes to the Homeowner's Association? There's a reason for this series of questions. George Dickerson: Without looking into it I... Mayor Post: There are a percentage of homes that would have to be... C Hudson: That's what I'm wondering. C Prettyman: Right. George Dickerson: I'm not saying one doesn't exist; further research would have to be done. Mayor Post: They're all done that way. It's 75%, I don't know, somebody might know. George Dickerson: Robin, would you know the answer to that? Robin Davis: No. [Unknown speaker]: You could probably get that documentation from the City or the Town, of what was in that document. George Dickerson: I'm sure we have it. We simply don't have it here to refer to. Mayor Post: The ordinances state what the bond can be used for. You just have to review the ordinances, if it says street lights; it lists what the bond is posted for. C Prettyman: I understand and this comes down to a safety issue for the residents of Wagamon's West Shore. The lighting is very important for them to have. We need to do everything possible and get this somehow to make sure they have lighting, while we are working these other little kinks out. We don't know what the Bond covers; we have to research that; I really feel that they should have lighting out there, because I would not want to be coming in there, or visiting, and there are no lights there with sidewalks, etc. It's a safety issue and we, as the Council, really need to stop and look at it. I know it's a financial thing, too, for the town. We really have to be careful and have to look at this, because these people that have moved here and are putting money into our community. I feel that we should do everything possible to keep the lighting on there. Vice Mayor Betts: We're not saying that the lights are going to be turned off. It's not that we want that to happen, it's just that we want to make some agreement with the developer, so that they will do it.

It's not that we want the electric turned off from the residents. C Prettyman: No, but it is a financial thing, and the way our economy is right now, it's pretty clear that the recession is here and it's hard times all over. We need to reassure them that they will be having lighting there. Vice Mayor Betts: I know I do not want the electric turned off. We're trying to find a solution that we can all be satisfied with. Mayor Post: Possibly we can force the developer to take responsibility, which is his legal obligation to do. Vice Mayor Betts: Maybe some of the residents can help in confronting him with it. They moved there and they expect that also. There's no one up here that wants the lights turned off. C Duby: Can I suggest, that if there's the desire on anyone's part, that we take a vote on whether to stop paying that bill, before we take that vote that we know absolutely what is going to happen under all possible scenarios, if we do stop paying that bill. If not, and that's not one of the issues before us, then I don't think any action is necessary for us to allow Vice Mayor Betts and the Town Manager and whoever has been involved in these discussions, to continue to try to reach some kind of agreement with the developer about this. Mayor Post: Possibly what we need to do is table this for a legal opinion. C Martin-Brown: I would like to make a motion that we table it, Mr. Mayor. C Prettyman: Second. C Martin-Brown: Is it now open for discussion, Mr. Mayor? Mayor Post: Yes, because we have a motion. C Martin-Brown: I think that a point that Vice Mayor Betts made is very important and that's why I was asking about the Homeowner's Association. We need the residents of Wagamon's West Shore to make their sentiments known, as well. There is a pattern, if I may digress from Town business, where the times that I have come here, time and again people who have moved into developments, in good faith, and bought homes to retire in or raise families or whatever, thinking that there was predictability and their utilities and their roads and the design of homes in pictures, that showed two-car garages, there was advertising being done that made it appear that one development in town was on one of the dunes at Rehoboth Beach. When and how does this Council and the citizens close ranks and create legal recourse so that people here have some predictable quality of life that they think they are paying for when they buy the property? I wanted to remind you that I just voted no about something. I am very cranky about all of this and that's why I voted no because it is a consistent pattern. In a good economy, a bad economy, a mediocre economy, the mating season, you name it, there's always an excuse. I've had it. People need to feel when they buy a home that what they bought is what they get. Thank you for tolerating me. [applause] [Unknown speaker]: Currently, we're paying for lighting at Wagamon's and this is one of the services I was talking about that we're currently paying for. I do not want to see services cut and I'm totally in favor of continuing to pay this while we continue our talks with the developer to get them to resume responsibility for what they should be doing. Mayor Post: For the future, we have an issue now for another development in town which is only 26 homes. There is a home behind my home, and probably will never see another neighbor in that development for another 1, 2 or 3 years. They have no lights.

How are we going to address these issues? They're moving here on June the 6th and they have not mentioned yet. I'm sure when they drive in many days and nights in darkness, they will. There are no lights in their development and they are the only ones residing in that development, of Phase II. It also takes the responsibility of the property owners and the developments to address all these issues. These are serious issues and it takes a unified front to address them. C Duby: Mr. Mayor, I would like to point out that this is also a part of the discussions that we've had in recent months, about the Planning & Zoning Commission and the Council fully understanding exactly what it is we are approving or disapproving when we go through the process of approval for these developments. We are not always able to foresee exactly what's happening, but we need to be learning from some of these things that have happened: at Shipbuilders, at Cannery, at Wagamon's, so that as we go down the road we are better at that process, as we put our approval on site plans. Mayor Post: Especially with infrastructure, when should it be in? That's one of the important things. When do all the sidewalks go in? As the Town Manager pointed out, we're going to have such sporadic sidewalks, for example in Wagamon's, because you have a lot of private investors on lots and then you have a developer who bought up a lot of the lots, so the thing is that if they're saying that they are just going to put it up as the house is built, it's ridiculous. That shouldn't be the way it is handled. Vice Mayor Betts: The lights and the streets should be in before anything else. Mayor Post: And the sidewalks, and the curbing. People need to realize it's not as easy as they think. There are many issues that we deal with and I'll go back to the soil conservation group, because they have been dealt with. They were dealt with at Shipbuilders regarding the drainage and we still have a drainage issue. Quite frankly, there are a lot of people right in Milton itself that have drainage problems. Vice Mayor Betts has lived on a lake ever since she's been there, so everyone drives down Magnolia will know that it's underwater, every time it rains. It's not just things we are facing in the developments; there are streets in this town that don't have adequate lighting. We have the motion to table this until next month and to seek legal advice. All in favor. Opposed. Motion carried.

- f. Discussion and possible Vote regarding action on Sidewalks needing major repairs: Vice Mayor Betts: I attended a meeting that George Short had with the major property owners that had major repairs for their sidewalks. They are getting an estimate from a contractor to see what amount of footage it is going to cost each property owner. In the meantime, we discovered that there is \$30,000 sitting in the bank that was put aside for Chestnut Street sidewalks. That was before we found out that the property owners were supposed to pay for the sidewalks. What I am asking tonight of the Council is how are we going to handle the \$30,000 that have been put aside for sidewalks? What do you want? Do you want us off the top, like if it was \$7/sq. ft., we would deduct the \$30,000 from the total amount of everyone and give everybody the chance to use that \$30,000, or how do you want us to handle it? C Hudson:

Was this grant money? Vice Mayor Betts: This was money that was set aside by the Town. Mayor Post: In a special account designated for Chestnut Street. Vice Mayor Betts: That's what I'm asking. I think it should be for all sidewalks, I don't think it should be for one specific street and I don't know why that was done that way. I wasn't on the sidewalk committee. Do I have any recommendations? C Prettyman: I feel that whatever we do should be town-wide. Vice Mayor Betts: I do too. C Prettyman: I don't know how we're going to do that, because you're talking about the footage, you're talking about the property owners, and, everything. You can go back and check to see where all these sidewalks' are and who meets up with what in the various areas and then see what the cost affect is going to be and then where this \$30,000 can come in to assist. Vice Mayor Betts: Does anybody else want to discuss it? I just want to know how the Council feels about planning it just for Chestnut Street, or using it for the overall of the Town. C Prettyman: I would like to make a motion on the \$30,000 to be used for the overall of the complete community sidewalks. There is no way to justify just one street be done over here on this side of the town, and not another street on the other side. We need to get a price on doing all of that work. Vice Mayor Betts: That's what Mr. Short is trying to get from the contractors. Mayor Post: I'm not so sure if that wasn't grant funds. C Prettyman: No, they tried to get it from grant money and it never happened. Vice Mayor Betts: It was appropriated through the budget. C Duby: Do we have any minutes or anything that show why it was done specifically for Chestnut Street? C Prettyman: We probably do. Vice Mayor Betts: It was recommended by the Council. Mayor Post: Technically, it can be unappropriated. If you were going to use it for other areas, you would have to remove it from that appropriation for Chestnut Street. It still isn't going to address how that is going to be expended. I think you need to let the committee that is working on it to come back with the prices. Vice Mayor Betts: That's all I wanted to know. Mayor Post: It's not going to require any action and if someone from the public would like to make a comment at the next Council meeting that will not be a problem. Vice Mayor Betts: I just wanted you to be aware that we did find the \$30,000. C Prettyman: Mr. Mayor, I would like to rescind my motion.

15. New Business

- a. Appointment of members to the newly formed committee for Redevelopment/Development Procedures Committee; Mayor Post: The immediate things are to look at the things that are facing the opening of businesses in the downtown area to mainstream the process in a quicker manner. There are a few things on the broader scale I'm not quite sure this is going to be the committee that will be addressing the redesign of the LPD. What we are talking about is immediate processes that have hindered and have created issues that face us right now on how we can make that process more user-friendly and expeditious. I'm proposing the following people: Mayor Don Post; C Duby; the Chair of Planning & Zoning; the Chair of Board of

Adjustment; the Chair of Historic Preservation; Richard Wheeler, who would be representing the community; Roxanne Whitaker, who would also be representing the community; George Dickerson, our Town Manager; and, Debbie Pfiel, who is our consultant. The Chair would be C Duby and Mayor Post, as co-chair. It will all have to be brought back to Council, as well, so we would have full discussion as a whole Council. C Martin-Brown: I make a motion that we approve the appointment of members to the newly formed Redevelopment/ Development Procedures Committee. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. Is there any discussion to the motion? The Committee will be coming up with a better name for itself. All in favor. Opposed. Motion carried.

16. Executive Session: Discuss Land Acquisition, Litigation and Personnel. Mayor Post: Can we have a motion to go into executive session, excluding our Town Solicitor. C Martin-Brown: So moved. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. All in favor. Opposed. Motion carried.

Mayor Post: Can we have a motion to come out of executive session. Mayor Post: So moved. Vice Mayor Betts: Second. Mayor Post: We have a motion and a second. All in favor. Opposed. Motion carried.

Vice Mayor Betts: I make a motion that we go into litigation per our discussion in executive session. C Prettyman: Second. Mayor Post: We have a motion and a second. Any question to the motion? All in favor. Opposed. Roll call, please.

Roll Call Vote:

C Hudson	No. I'm opposed simply because of the cost of litigation. It's one thing to be sued; it's another thing to file lawsuits in return and there are so many other expenses this Town needs to be spending money on, that's the only reason I'm voting no. .
C Martin-Brown	Yes.
C Duby	Yes.
C Prettyman	Yes.
C Abraham	not present
Vice Mayor Betts	Yes.
Mayor Don Post	Yes.

Motion carried.

17. Adjournment: C Martin-Brown: Mr. Mayor, I move we adjourn. C Prettyman: Second. All in favor. Opposed. Motion carried. Meeting adjourned at 9:08 p.m.